

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2608
ANSWERED ON:14.03.2001
FOREIGN DIRECT INVESTMENT
M. CHINNASAMY

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether the Government propose to place Foreign Direct Investment in small scale industries sector under automatic route approved within enhanced equity cap;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRICULTURE AND RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) to (c): Foreign Direct Investment (FDI) in the Small Scale Industries Sector upto 24% is already permitted under the automatic route. There is no proposal to enhance this equity cap.